

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of

AN ADJUSTMENT OF ELECTRIC RATES)	
OF THE UNION LIGHT, HEAT AND)	CASE NO. 8509
POWER COMPANY)	

O R D E R

On June 7, 1982, the Union Light, Heat and Power Company ("Union") filed with the Commission its prepared direct testimony in support of its adjustment of electric rates. Union did not file any direct testimony to support its requested rate of return, but in lieu thereof requested authorization to file an agreement in which all parties would stipulate to a rate of return. Although the Commission believes that such settlement agreements could be beneficial and ultimately lead to the expeditious handling of many issues, the Commission is unable to accept such an agreement at the present time because the procedural changes are not yet in place permitting the implementation of the requested method for making a binding decision on rate of return.

For example, present procedures allow an interested party to intervene at any time upon the filing of a timely motion. This creates the possibility that additional parties could subsequently intervene in this proceeding and not be willing to be bound by the existing stipulations of other parties. In carrying out the

legislative mandate of KRS 278.030, it must also be noted that the Commission's decision must be based upon the entire record which would include evidence offered by an intervenor not party to the stipulation.

Based upon the findings contained herein, IT IS THEREFORE ORDERED that Union shall file prepared direct testimony on rate of return within 10 days of the date of this order.

Done at Frankfort, Kentucky, this 27th day of July, 1982.

PUBLIC SERVICE COMMISSION

Marlin M. Voth
Chairman

Katharine Bendall
Vice Chairman

Don Carrigan
Commissioner

ATTEST:

Secretary